

PM/WSM and Supply Chain Management IPTs' Final Report

Purpose: This final report identifies the methodology and process used to formalize and refine business relationships between supply chain management activities of Marine Corps Logistics Bases (MCLB) and program management activities of Marine Corps Systems Command (MCSC). To accomplish the overall mission of life cycle management of assigned USMC materiel, this report describes the major changes in roles, responsibilities, and processes of program management and supply chain management. A recommended organizational structure for materiel life cycle management has been provided under the to-be model.

Methodology:

1. Established an MOA for interim working relationships
2. Chartered two IPTs (Supply Chain Management and Program Management/Weapon System Management)

Process:

1. Developed a POA&M
2. Developed a top-level methodology and resource plan
3. Developed a website for team communications and progress status
4. Developed an 'as-is' IDEF model of currently performed activities
5. Verified the 'as-is' model through interviews with stakeholders
6. Conducted an independent analysis of issues raised in the interviews
7. Analyzed the 'as-is' model
8. Developed a 'to-be' model
9. Developed the 'to-be' roles and responsibilities based on the analysis of each activity as program management or supply chain management functions
10. Provided a recommended organizational structure and implementation plan

Major Changes:

1. Roles and responsibilities of program management and supply chain management under the 'to-be' model.
 - a. Conduct Readiness Management (A421111) – Utilizing MIMMS/SASSY/ATLASS and other data, analyze trends, validate the significance of the trends, compile, and forward reports and recommendations to PM for appropriate action. Any supply issues will be coordinated with SCM. Any technical issues will be addressed by the PM and may require decisions and initiatives regarding funds for technology insertion modifications, ECPs, SLEPs, MIs, TIs, Technical Manual Changes or replacement of the end item.

Recommendation: Assign responsibility for readiness management to the Program Manager (PM), supported by the Logistics Management Specialist (former WSM). This is a transfer of function and work to MCSC. Transfer Logistics Management Specialists (Total 21 T/O billets from MCLB Codes 830A, 830B, and 840) to non-supervisory positions at MCSC to perform this management role for the PM. Recommend that a process flow be developed by a sub-design team.

Rationale: To maintain operational and sustainment readiness of the combat equipment as specified in the operational requirements documents.

- b. Maintain Technical Publications (A42132) – Maintenance of technical publications includes reviewing Requests for Change to Technical Publications (NAVMC 10772s), making revisions, and providing master copy to MCLB for printing and duplication.

Recommendation: Assign the responsibility for the maintenance of technical publications to MCSC. This is a transfer of function and work to MCSC. Transfer Publications Branch (MCLB Code 852, total 26 T/O billets) to MCSC.

Rationale: To combine the acquisition and maintenance of technical publications under one single process owner at MCSC. The current technical manual acquisition and maintenance process is disjointed with the functions being split between MCLB and MCSC. Stock, store, issue, and printing will remain a supply chain management responsibility.

- c. Review Engineering Drawings (A322232) – The process of reviewing engineering drawing requirements against deliverables, resulting in an approved engineering document.

Recommendation: Assign the responsibility for reviewing engineering drawings and other engineering activities to the PM as these activities are in total support of the program office. This is a transfer of function and work to MCSC. Transfer Engineering Section (MCLB Code 851-1, total 15 T/O billets) to MCSC.

Rationale: Since this activity exclusively supports the acquisition of assets, it logically should fall under the cognizance of the PM. Other activities of the Engineering Section include Physical Configuration Audits and engineering studies for DLA managed items utilized by MC systems.

- d. Provide Technical Assistance. (A42142) – The process by which the PM provides support in the nature of guidance, advice, direction and information to facilitate a resolution of equipment deficiencies/operational problems. Execution may include the employment and use of a technical assistance team to provide on-site diagnostic support and engineering/logistics analysis for hardware and software.

The team may be composed of organic military or civilian and contractor personnel.

Recommendation: Assign the PM as the sole process owner for technical support issues on assigned equipment. Establish a readiness assistance team to provide on-site technical assistance as directed by the PM to provide technical assistance for weapon systems throughout their life cycle. OPCON 49 Marines from MCLB Code 82B to MCSC as Readiness Assistance Teams.

Role of proposed team:

- i. Under the proposed mission, the team would be organized, trained, and equipped to provide technical assistance to the operating forces for Marine Corps ground equipment. In addition, the team would provide on-site technical assistance teams, as required, to support established readiness objectives and would perform other duties as MCSC may direct.
- ii. Proposed duties and responsibilities for the team:
 1. will serve as technical advisers to the PMs.
 2. will provide technical assistance to Active and Reserve forces for the purpose of returning weapons systems to an acceptable readiness level.
 3. will make recommendations to the cognizant PM for appropriate corrective action, such as modifications to training, technical publication changes, or equipment modifications when required.
 4. will provide teams to support PMs for new equipment fielding, new equipment training, and fielded equipment performance evaluations.
 5. will provide assistance in the validation and installation of modifications and engineering changes.
 6. will assist in the evaluation of a condition code for equipment returned to stores from fleet and maintenance.
 7. will perform Limited Technical Inspections on weapon systems identified for depot level maintenance.

Rationale: To provide one focal point to assist the operating forces with system readiness related issues involving technical matters. Currently technical assistance on weapon systems is provided through a variety of means between MCSC and MCLB during fielding, sustainment, product improvement, and engineering change proposals. The operating forces have difficulty locating a source to answer technical questions or obtain assistance of a technical nature on weapon systems. Requests for technical assistance are usually the result of a weapon system failure that is adversely affecting readiness. The teams will assist the PM in providing solutions to the fleet's technical support problems.

- e. Develop Maintenance Concept (A213211), Develop Maintenance Plan (A213212), Update Maintenance Plan (A32221), and Perform Depot Maintenance Sourcing (A411) – These activities provide the maintenance strategy and planning to sustain weapon systems. The maintenance concept includes the strategies for describing the organizational levels of maintenance for weapons systems and

equipment. The maintenance plan includes the maintenance considerations and constraints as derived from the maintenance concept for systems/equipment under development. The maintenance plan is directly related to Technical Publications requirements, Initial Issue Provisioning, formal training of repairmen and technicians, and the formulation of depot maintenance requirements. Updates to the plans are a result of information contained in the developmental and operational test reports, the Failure Mode and Effects Criticality Analysis, Marine Corps Level of Repair Analysis, and other engineering data. Depot maintenance sourcing is the analysis of customer requirements for the overhaul, repair or rebuild of a weapon system to determine an appropriate repair facility. This analysis will include required delivery dates, applicable laws and regulations, and facility capabilities.

Recommendation: Approve assigned roles and responsibilities reflecting these activities in the model. Provide appropriate MCLB input into developing maintenance concepts and maintenance plans to ensure core capabilities are addressed. Recommend a joint MATCOM-led IPT to provide instructions implementing MCO 4000.56.

Rationale: The PM is responsible for developing and updating a maintenance concept and a maintenance plan. MCLB's role is to provide input into these activities from the perspective of depot maintenance capabilities. Marine Corps organic depot maintenance capabilities must be considered during the acquisition planning and execution phases and the follow-on sustainment phase. This facilitates looking at future maintenance requirements from a corporate viewpoint. When the solution is first laid out, MCLB has a role in providing a broader look at how the program plan will impact the Marine Corps. MCLB must assure affordability of all maintenance sourcing, and address the PM's Total Ownership Cost and schedule concerns and readiness objectives.

- f. Develop Depot Level Maintenance Strategies (A413) – This activity considers depot level alternatives and develops the Depot Level Maintenance Plan (DLMP). Develop DLMP (A4131) – Process of consolidating requirements and developing current and out-year budget requirements for repair, rebuild, upgrade, and/or overhaul of materiel and equipment at the depot level. Develop Maintenance Alternatives (A4132) This activity consists of the process of evaluating repair alternatives such as remanufacturing or service life extension programs, external to traditional 5th echelon maintenance facilities. These are alternatives to previous decisions that were made during system acquisition, when those decisions will not support system readiness/availability requirements. Develop and Execute the MWS (A414) – The process of creating and effecting the induction sequence of deficient equipment for repair, rebuild, overhaul and/or modification.

Recommendation: Approve assigned roles and responsibilities reflecting these activities in the model. Provide appropriate PM input and participation into the DLMP process to ensure the schedule supports operational/readiness

requirements, modernization efforts, and planned phase-outs. Recommend a joint MCLB/MCSC IPT or sub-design team define processes and procedures which will reflect the above activities.

Rationale: There is not enough PM participation in the DLMP process. The PM needs to be a principal stakeholder in the DLMP process. The PMs will be responsible to provide a statement of work for weapon systems and equipment to support the 5th echelon requirements.

- g. Conduct Configuration Management (A424). Conducting configuration management is the application of technical and administrative direction and surveillance over life cycle items to: (1) identify and document the functional and physical characteristics of configuration items, (2) control changes to configuration items and their related documentation, (3) record and report information needed to manage configuration items effectively, including the status of proposed changes and implementation of approved changes, and (4) audit configuration items to verify conformance to specifications, drawings, interface control documents, and other contract requirements.

Recommendation: Control and execution of this activity will be the sole responsibility of the PM. SCM's role in configuration management is to maintain Configuration Status Accounting Records (CSAR) and maintain, store, and distribute engineering data. Recommend systems engineering sub-design team review and refine the processes and procedures.

Rationale: This clarifies the processes as defined in the model.

- h. Develop Disposal Plan (A4215) – The plan defines the requirements for the final disposition of the equipment and AIS in the best interest of the government. It also produces a plan for incremental reduction in sustainment in order to maintain readiness while preparing for disposal.

Recommendation: Assign PM responsibility to develop disposal plans. Develop procedures, directives, and orders which ensure the timely development and proper execution of disposal plans

Rationale: The PM is responsible for the planning, programming, and execution of the disposal of weapon systems. The disposal plan is the controlling document during the disposal activity and must address the required funding and procedures associated with disposal. The actual phasing out of a weapon system starts five years out from the planned exit date.

- 2. Significant changes and clarifications in processes within program management and supply chain management under the 'to-be' model.

- a. Provide Capabilities Assessment (A134) -- Capabilities assessment is created as a new activity which includes Conduct Readiness Reporting (A1341), Assess Total Ownership Costs (TOC)(A1342), Assess Reliability, Maintainability, and Availability (RMA) (A1343), Conduct Acquisition Program Reviews (A1344), and Conduct Fielded Materiel Assessments (A1345). The process of reviewing and analyzing existing acquisition programs and/or fielded systems/equipment to measure all aspects of their progress or performance throughout its life cycle. Provides for continual improvement and documentation of those measures (cost/schedule/performance/readiness) used to make life cycle management decisions. Data or information developed during these assessments is provided to higher headquarters on a periodic basis.

Recommendations: Establish an analysis support center staffed with appropriate skill sets (operational, cost, and functional analysts, logisticians, and contract support) to support the PM in managing life cycle costs of weapon systems and equipment. Transfer Readiness Branch (MCLB Code 863, total 7 T/O billets) to MCSC for readiness reporting. This is a key implementing recommendation. It forms the basis for PM oversight and responsibility in life cycle management. It is recommended that the support structure for these activities be a part of the design effort at MCSC.

Rationale: This will provide for an on-going review and analysis, based on generated reports, of existing acquisition programs and fielded systems. It will also assist the PM in the measurement of all aspects, specifically performance, cost, and readiness of a weapon system throughout its life cycle. This activity and process will be the responsibility of the MCSC with an MCLB support role.

- b. PM responsibility for life cycle management of a program is expanded to include post-deployment and operational support. Program planning and management will incorporate all activities associated with post-deployment and operational support, to include operational risk management planning.

Recommendation: MCSC will develop management and oversight of post-deployment and operation support in concert with MCLB. Logistics Management Specialist billets transferred to MCSC from MCLB (see 1a) will support the PM.

- c. Conduct Provisioning (A32222) – Conduct provisioning is the process of gathering and analyzing programmatic, logistics, technical and engineering data to determine, attain and issue the appropriate range and depth of Initial Issue Provisioning spares to support weapon systems and equipment for an initial period of time. During the provisioning process, management data codes and data elements are also assigned to all spare and repair parts and components of the principal end item. The processed provisioning data is loaded and maintained in logistics automated information systems to facilitate cataloging, supply, maintenance, PHS&T, and fiscal activities.

Recommendation: Conducting provisioning will be reengineered and divided into two areas, technical and supply. It will also include the use of Marine Corps Stock Numbers to expedite the total fielding package. The technical aspect of provisioning is the identification of spares required to sustain the equipment. The supply aspect is to purchase those requirements. Provisioning as a process is a joint MCLB/MCSC responsibility. The PMs will be responsible for the technical aspect and SCM will be responsible for the supply aspect. MCLB is recommended to form a joint working group to reengineer the provisioning process. As an interim measure, Equipment Specialists will initially be OPCON to MCSC. There are currently 56 Equipment Specialists. A management review team will separate the technical work from the supply work that the Equipment Specialists are performing and assess the FTEs involved in each area. Upon completion, the number of FTEs equivalent to the amount of pure technical work will be transferred to MCSC and the FTEs equivalent to the amount of supply work will be assigned to an appropriate career field and remain with MCLB.

- d. Perform Inventory Management (A421112) -- Performing inventory management is the process of determining requirements, attaining assets and managing materiel/equipment releases to support fielded weapon systems.

Recommendation: Restore the competency of inventory management and Inventory Managers under supply chain management. Inventory Managers will provide support from MCLB for determining requirements, positioning items, etc. This is a key implementing recommendation. It forms the basis for MCLB oversight and responsibility for supply chain management, including the SECREP management initiative.

Rationale: This restores intensive inventory management responsibility, accountability, and expertise involving the full range of supportability elements to the Inventory Managers. This will afford MCLB the opportunity to effectively perform and focus on the core competency of supply chain management. This correlates with the worldwide Secondary Reparable Management (SECREP) initiative.

- e. Perform AIS Requirements Analysis (A135) -- This activity includes all enterprise level processes relating to supply chain management operational analysis, supply chain management functional AIS requirements consolidation, and AIS training.

Recommendation:

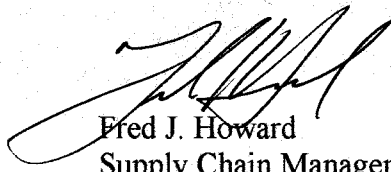
- i. Realign the MCLB Code G6 to the MCLB Logistics Operations Office and retain responsibility and resources associated with functional analysis of existing legacy wholesale and depot maintenance systems. MCLB will retain PDSS for those legacy systems that support the command's business areas.

- ii. Transfer resources and billets associated with program management and maintenance of legacy retail systems to MCSC (36 civilian and 55 military billets from MCLB in a variety of Codes).

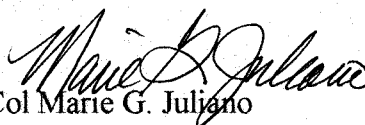
Rationale: Provide each commander with operational control of internal software applications, allow the PM-IS to focus efforts on Marine Corps wide automated information systems, and formalize the distinction between Marine Corps wide AIS/retail and internal AIS/wholesale.

- f. Determine Resource Requirements (A2133), Conduct Resource Management (A323), Conduct Resource Management for Fielded Materiel (A422) – These processes address the management of manpower, funding, material and facilities. Resources are usually identified within several documents Acquisition Strategy, Logistics Support Plan, throughout the acquisition cycle which is weapon system specific. In the post-production operational support phase, resource management is conducted on a materiel management basis with no real definitive process or documented plan throughout the life cycle of the weapon system.

Recommendation: Reestablish financial management IPT to realign financial resources to support the roles and responsibilities of PM and supply chain management.



Fred J. Howard
Supply Chain Management
IPT Leader



LtCol Marie G. Juliano
PM/WSM IPT Leader